

Small Business Disaster Recovery Financial Assistance Program Guidelines

1. The goal of the program is to provide financial assistance to small businesses that have sustained physical damage due to the 2008 natural disasters.
2. Iowa Workforce Development (IWD) through the local Emergency Public Jobs Administrative entity will disburse funds in the form of a grant to eligible businesses. These funds will be allocated to these businesses on the basis of verifiable non-covered business loss.
3. Businesses served under this program, including owners and employees, must qualify as dislocated workers under WIA:

The waiver can apply to any business (that had 25 or fewer employees prior to the flooding) that experienced a dislocation of workers as a result of the flooding and that meet the other conditions and criteria contained in this letter. This waiver does not make a distinction between businesses with named partners and those with no named partners, nor between sole proprietorships and corporations. Under the waiver, the dislocated worker eligibility requirements associated with the NEG can be satisfied if the business has one or more workers dislocated as a result of the disaster.

In instances where a business experienced worker dislocations as a result of the disaster, but the business has re-opened and employees returned to work prior to the date of the approval of the waiver, the business must demonstrate to the State that serving such businesses under the waiver is consistent with the purpose of the NEG, re-employing dislocated workers. This conclusion would seem to be easier to reach in instances where a business has not yet returned to their pre-flood employment levels, than in instances where businesses have already returned to their pre-flood employment levels.

4. Businesses are eligible for assistance if they have exhausted any funds they received from disaster loan funds from the U.S. Small Business Administration (SBA), FEMA settlements or any other state or federally funded financial aid programs. All other funding sources must be obligated for losses incurred prior to these Small Business Disaster Recovery Funds being allocated. This includes funds from insurance policies or institutions or other recognized entities that underwrite loans such as banks.
5. The disaster small business grants will be awarded to businesses located within the States 84 Public disaster declared counties as defined by FEMA.
6. To apply for funding, a local administrative entity will submit, to the State Administrative Entity, an application on behalf of the interested business stating its interest in receiving an allocation from the Small Business Disaster Recovery Fund Program. The application must be completed and signed by the small business. All required documentation must accompany the application. (see attached application)

7. The State Administrative entity will have 10 business days to obligate funds to eligible businesses for allowable activities.
8. An eligible business will be able to receive funding up to \$5,000 dollars for verified unmet needs. The award will be in the form of a grant not a loan.
9. Each administrative entity will enter into a contract with an eligible business to provide assistance under this program. Said contract will include the terms and conditions that meet the rule requirements of this program.
10. Each administrative entity will provide oversight and administration to ensure that program's recipients are meeting requirements including requiring repayment if funds are not used in compliance with the program requirements.
11. Each administrative entity will collect data and report to IWD covering the results of the program.